

Assigned DOGM File No.: S 10231088

DOGM Lead: \_\_\_\_\_

Permit Fee \$ \_\_\_\_\_ Ck # \_\_\_\_\_

STATE OF UTAH  
DEPARTMENT OF NATURAL RESOURCES  
DIVISION OF OIL, GAS AND MINING

1594 West North Temple Suite 1210

Box 145801

Salt Lake City, Utah 84114-5801

Telephone: (801) 538-5291 Fax: (801) 359-3940

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DIV OF OIL GAS & MINING

NOTICE OF INTENTION TO COMMENCE SMALL MINING OPERATIONS

The informational requirements of this form are based on provisions of the Mined Land Reclamation Act, Title 40-8, Utah Code Annotated 1987, and the General Rules as promulgated under the Utah Minerals Regulatory Program.

"Small Mining Operations" means mining operations which disturb five or less surface acres at any given time.

\*\*\*\*\*

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MAR 24 2006

I. **GENERAL INFORMATION** (Rule R647-3-104)

DIV. OIL GAS & MINING

1. **Name of Mine:** BLACK DESERT MINE -
2. **Name of Entity Applying for Permit:** BLACK DESERT MINING LLC  
**Contact (Authorized Officer):** STEVE YOUNG  
**Address:** 1669 S 580 EAST  
**City, State, Zip:** AMERICAN FORK UT 84003  
**Phone:** 801-763-0137 **Fax:** 801-763-7985  
**E-mail Address:** SYOUNG@TRICOR.AROS.NET

Entity is a: Corporation ( ) ☒ LLC ☒ Sole Proprietorship (dba) ( )  
Partnership ( ) General \_\_\_\_\_ or \_\_\_\_\_ limited  
Individual ( ) Other ( ) - specify type) \_\_\_\_\_

**Entity must be registered (and maintain registration) with the State of Utah, Division of Corporations [www.commerce.utah.gov](http://www.commerce.utah.gov).**

Are you currently registered to do business in the State of Utah? ☒ Yes ☐ No  
Entity # 20-3940142

Local Business License # 20-3940142

Issued by: County \_\_\_\_\_ or City \_\_\_\_\_

Registered Utah Agent (as identified with the Utah Department of Commerce):

Name: STEVE YOUNG MOBILE 404-1151  
Address: 1669 S 580 EAST  
City, State, Zip: AMERICAN FORK, UT 84003  
Phone: 801-763-0137 Fax: 801-763-7985  
E-mail Address: SYOUNG@TRICOR.AROS.NET



3. **Entities Representative (if different from #2)**

Name: \_\_\_\_\_  
Address: \_\_\_\_\_  
City, State, Zip: \_\_\_\_\_  
Phone: \_\_\_\_\_ Fax: \_\_\_\_\_  
E-mail Address: \_\_\_\_\_

4. **If Partnership or Sole Proprietor:**  
**Name of 1<sup>st</sup> partner / Sole Proprietor:**

Name: \_\_\_\_\_  
Address: \_\_\_\_\_  
City, State, Zip: \_\_\_\_\_  
Phone: \_\_\_\_\_ Fax: \_\_\_\_\_  
E-mail Address: \_\_\_\_\_

**If Partnership:**

**Name of 2<sup>nd</sup> Partner:** \_\_\_\_\_  
Address: \_\_\_\_\_  
City, State, Zip: \_\_\_\_\_  
Phone: \_\_\_\_\_ Fax: \_\_\_\_\_  
E-mail Address: \_\_\_\_\_

**If Corporation:**

**Name of Officers:** \_\_\_\_\_ Title: \_\_\_\_\_  
\_\_\_\_\_ Title: \_\_\_\_\_  
\_\_\_\_\_ Title: \_\_\_\_\_  
\_\_\_\_\_ Title: \_\_\_\_\_

**If Limited Liability Company:** Member Managed ☒ Manager Managed ☐

**Name of 1<sup>st</sup> Member/Manager:** STEVE YOUNG  
Address: 1669 S 580 EAST  
City, State, Zip: ORION WYOM AMERICAN FORK WY 84003  
Phone: 801-763-0137 Fax: 801-  
E-mail Address: SYOUNG@TRICOR.AROS.NET

**Name of 2<sup>nd</sup> Member/Manager:** JIMMY ALVEY  
Address: 1669 SOUTH 580 EAST  
City, State, Zip: AMERICAN FORK  
Phone: 801-763-0137 Fax: 801-763-7985  
E-mail Address: \_\_\_\_\_

**Name of 3<sup>rd</sup> Member/Manager:** COBY HERBERT  
Address: 1669 SOUTH 580 EAST  
City, State, Zip: AMERICAN FORK WY 84003  
Phone: 801-763-0137 Fax: 801-763-7985  
E-mail Address: CHERBERT@TRICOR.AROS.NET

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5. **Ownership of Land Surface:**

Private (Fee) ☐ Public Domain (BLM) ☒ National Forest (USFS) ☐  
State Trust Land/School Sections ☐ State Sovereign Lands ☐  
Other (please describe): \_\_\_\_\_

Name \_\_\_\_\_ Address \_\_\_\_\_  
Name \_\_\_\_\_ Address \_\_\_\_\_  
Name \_\_\_\_\_ Address \_\_\_\_\_  
Name \_\_\_\_\_ Address \_\_\_\_\_

6. **Ownership of Minerals:**

Private (Fee) ☐ Public Domain (BLM) ☒ National Forest (USFS) ☐  
State Trust Land/School Sections ☐ State Sovereign Lands ☐  
Other (please describe): \_\_\_\_\_

Name \_\_\_\_\_ Address \_\_\_\_\_  
Name \_\_\_\_\_ Address \_\_\_\_\_  
Name \_\_\_\_\_ Address \_\_\_\_\_  
Name \_\_\_\_\_ Address \_\_\_\_\_

BLM Lease or Project File Number(s) and/or USFS assigned Project Number(s): \_\_\_\_\_

BLM Claim Numbers UMC 358206

Utah State Lease Number(s): \_\_\_\_\_

Name of Lessee(s) \_\_\_\_\_

7. **Have the above surface and mineral owners been notified in writing?**

Yes umc No \_\_\_\_\_

If no, why not? \_\_\_\_\_

*Please be advised that if State Trust Lands are involved, notification to the Division of Oil, Gas and Mining alone does not satisfy the notification requirements of Mineral Leases upon State Trust Lands. Exploration or mining activity on State Trust Lands requires a minimum of 60 days notice to the Trust Lands Administration **prior** to commencing any activities. Please contact the School Institutional Trust Lands Administration (SITLA) at (801) 538-5508 for notification requirements.*

8. **Does the Entity have legal right to enter and conduct mining operations on the land covered by this notice?** Yes ☒ No \_\_\_\_\_



II. **PROJECT LOCATION & MAP (Rule R647-3-105)**

1. **Project Location** (legal description):

County(ies): JUAB

NW 1/4, of NE 1/4, of NW 1/4: Section: 15 Township: 14S Range: 11W  
\_\_\_\_ 1/4, of \_\_\_\_ 1/4, of \_\_\_\_ 1/4: Section: \_\_\_\_ Township: \_\_\_\_ Range: \_\_\_\_  
\_\_\_\_ 1/4, of \_\_\_\_ 1/4, of \_\_\_\_ 1/4: Section: \_\_\_\_ Township: \_\_\_\_ Range: \_\_\_\_

UTM East \_\_\_\_\_ (if known) UTM North \_\_\_\_\_ (If known)

Name of Quad Map for Location: \_\_\_\_\_

2. An accurate topographic base map showing the location of the proposed small mining operation must be submitted with this notice. The areas to be disturbed including access roads, must be plotted in sufficient detail so that they can be located on the ground. It is recommended that the Permittee / Operator also photo document, plot and label any pre-existing disturbances in the immediate vicinity that he is not responsible for.
3. The proposed (5 acre or less) disturbed area boundary (including access/haul roads) **should** be marked in the field ON THE GROUND with metal T-Posts (or with some other marker of equal effectiveness). Markers should be appropriately spaced so that the next marker in either direction is clearly visible with the naked eye.

III. **OPERATION PLAN (Rule R647-3-106)**

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1. **Type of mining:** Surface ☒ Underground ☐
2. **Mineral(s) to be mined:** IRON ORE
3. **Amount of material to be extracted, moved or proposed to be moved:** 10-100 K TON PER YR
4. **Will any water, liquid chemicals, reagents, or other solutions be used, produced or discharged as part of the mining or milling process?**  
Yes ☐ No ☒ If yes, please describe (add extra pages if needed)  
\_\_\_\_\_  
\_\_\_\_\_
5. **Provide a brief description of the proposed mining operation and onsite processing facilities** (add extra pages if necessary). CRUSHER & SCREEN  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_
6. ☐ **New Road(s):** Length NA (ft) Width \_\_\_\_\_ (ft)
7. ☐ **Improved Road(s):** Length NA (ft) Width \_\_\_\_\_ (ft)



8. Total project surface acreage to be disturbed: 5 (acres) PLEASE SPECIFY EXACT ACREAGE - (this will be used to determine surety bond amount – see #VI).
9. Proposed startup date of project (month, year) 12-05
10. Proposed completion date of project, if known (month, year) \_\_\_\_\_

**IV. OPERATION AND RECLAMATION PRACTICES (Rule R647-3-107, 108 & 109)**

The reclamation and operation obligation is to keep the area clean and safe, minimize hazards to public safety, return the land to a useful condition, and reestablish at least 70 percent of the premining vegetative ground cover. To accomplish this, the Permittee / Operator will need to perform reclamation concurrently, or at the completion (within one (1) year) of mining. Please refer to The Practical Guide to Reclamation in Utah, available at [www.ogm.ut.gov](http://www.ogm.ut.gov).

1. Keep the mining operation in a safe, clean, and environmentally stable condition.
2. Permanently seal all shafts and tunnels to prevent unauthorized or accidental entry.
3. Plug drill holes with a five foot cement surface plug. Holes that encounter fluids are to be plugged in the subsurface to prevent aquifer contamination.
4. Construct berms, fences, or barriers, when needed, above highwalls and excavations.
5. Remove, isolate, or neutralize all toxic materials in a manner compatible with federal and state regulations.
6. Remove all waste or debris from stream channels.
7. Dispose of any trash, scrap metal, wood, machinery, and buildings.
8. Conduct mining activities so as to minimize erosion and control sediment.
9. Reclaim all roads that are not part of a permanent transportation system.
10. Stockpile topsoil and suitable overburden prior to mining.
11. Stabilize highwalls by backfilling or rounding to 45 degrees or less, where feasible; reshape the land to near its original contour, and redistribute the topsoil and suitable overburden.
12. Properly prepare seedbed to a depth of six inches by pocking, ripping, discing, or harrowing. Leave the surface rough.
13. Reseed disturbed areas with adaptable species. (The Division recommends a mixture of species of grass, forb, and browse seed, and will provide a specific species list if requested.)
14. Plant the seed with a rangeland or farm drill, or broadcast the seed. Fall is the preferred time to seed.

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**V. VARIANCE REQUEST (Rule R647-3-110)**

Any variance request must be approved in writing by the Division

Yes ☐ No ☒

Any planned deviations from Rules R647-3-107, Operation Practices, R647-3-108, Hole Plugging Requirements, or R647-3-109, Reclamation Practices, as summarized above (see IV. Operation and Reclamation Practices Item # 1-14), should be identified below listing applicable rule number. Give justification for the variance(s) and alternate methods or measure to be utilized. A variance shall be granted if the alternative method or measure proposed will be consistent with the Act.



1<sup>st</sup> Variance Requested

Item # \_\_\_\_\_ Applicable Rule # (i.e. R647-3-109.10 (if you did not want trenches & pits reclaimed))  
Justification: \_\_\_\_\_  
Alternate methods or measure to be utilized: \_\_\_\_\_

2<sup>nd</sup> Variance Requested

Item # \_\_\_\_\_ Applicable Rule # \_\_\_\_\_  
Justification: \_\_\_\_\_  
Alternate methods or measure to be utilized: \_\_\_\_\_

3<sup>rd</sup> Variance Requested

Item # \_\_\_\_\_ Applicable Rule # \_\_\_\_\_  
Justification: \_\_\_\_\_  
Alternate methods or measure to be utilized: \_\_\_\_\_

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**Attach additional page if more variances are requested.**

**VI. SURETY (Act 40-8-7(1)[c])**

**A reclamation contract and surety must be provided to and approved by the Division prior to commencement of operations.**

The Utah Mined Land Reclamation Act (40-8-7 (1)[c] and 40-8-14 provides the authority that all mining operations furnish and maintain reasonable surety to guarantee that the land affected is reclaimed according to accepted *notices* consistent with on-site conditions.

The surety amount is based on the nature, extent and duration of operations. *The surety amounts are based on data from current large mine surety and are used as a general guide, along with actual site conditions.*

Surety for small mines sites will be escalated three (3) years to the future. Contact the Division for dollar amount required for this project.

I have provided or will provide surety in the form of:

- ☐ Certificate of Deposit    ☐ Letter of Credit    ☐ Surety Bond    ☐ Cash (certified funds)  
☐ Other \_\_\_\_\_ (please identify)

**VII. PERMIT FEE [Mined Land Reclamation Act 40-8-7(1)(i)]**

The Utah Mined Land Reclamation Act of 1975 [40-8-7(1)(i)] provides the authority for the assessment of permitting fees. Commencing with the 1998 fiscal year (July 1 - June 30), permit fees are assessed to new and existing notices of intention, and annually thereafter, until the project disturbances are successfully reclaimed by the Permittee / Operator and released by the Division.



**Small Mine Notices require a \$150.00 fee which must accompany this application or it cannot be processed by the Division.**

**NOTICE:** The following person(s) are authorized and designated to receive Notices of Violations, Cessation Orders and all other Notices required by the Division to be given to the permittee or operator:

Name: STEVE YOUNG  
Address: 1669 S 580 E.  
City, State, Zip: AMERICAN FORK UT  
Phone: 763-8137 Fax: 763-7985  
E-mail Address: SYOUNG@TRICOR.AROS.NET

Name: CODY HERBERT  
Address: \_\_\_\_\_  
City, State, Zip: same AS ABOVE  
Phone: \_\_\_\_\_ Fax: \_\_\_\_\_  
E-mail Address: \_\_\_\_\_

#### VIII. SIGNATURE REQUIREMENT

(Please check the box and place your initials on the line provided)

- ☒ I have enclosed the required permit fee.
- ☒ I have enclosed a complete Reclamation Contract (Form MR-RC) and the appropriate reclamation surety amount or have made arrangements as to when the surety will be furnished.
- ☐ I understand that I am not authorized to create any surface disturbance until the surety amount is posted and approved in writing from the Division of Oil, Gas and Mining and any other authorized regulatory agency.

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#### CERTIFICATION

I state under penalty of perjury under the laws of the state of Utah and the United States of America that:

- I have read this form and declare the information, statements and/or documentation are true, correct and complete to the best of my knowledge and belief; AND
- I commit to the reclamation of the aforementioned small mining project as required by the Utah Mined Land Reclamation Act (40-8) and the rules as specified by the Board of Oil, Gas and Mining.
- This certification must be executed by an executive officer if the applicant is a corporation; by a partner if applicant is a partnership (general or limited); owner if applicant is a sole proprietorship; member or manager if applicant is a limited liability company.**

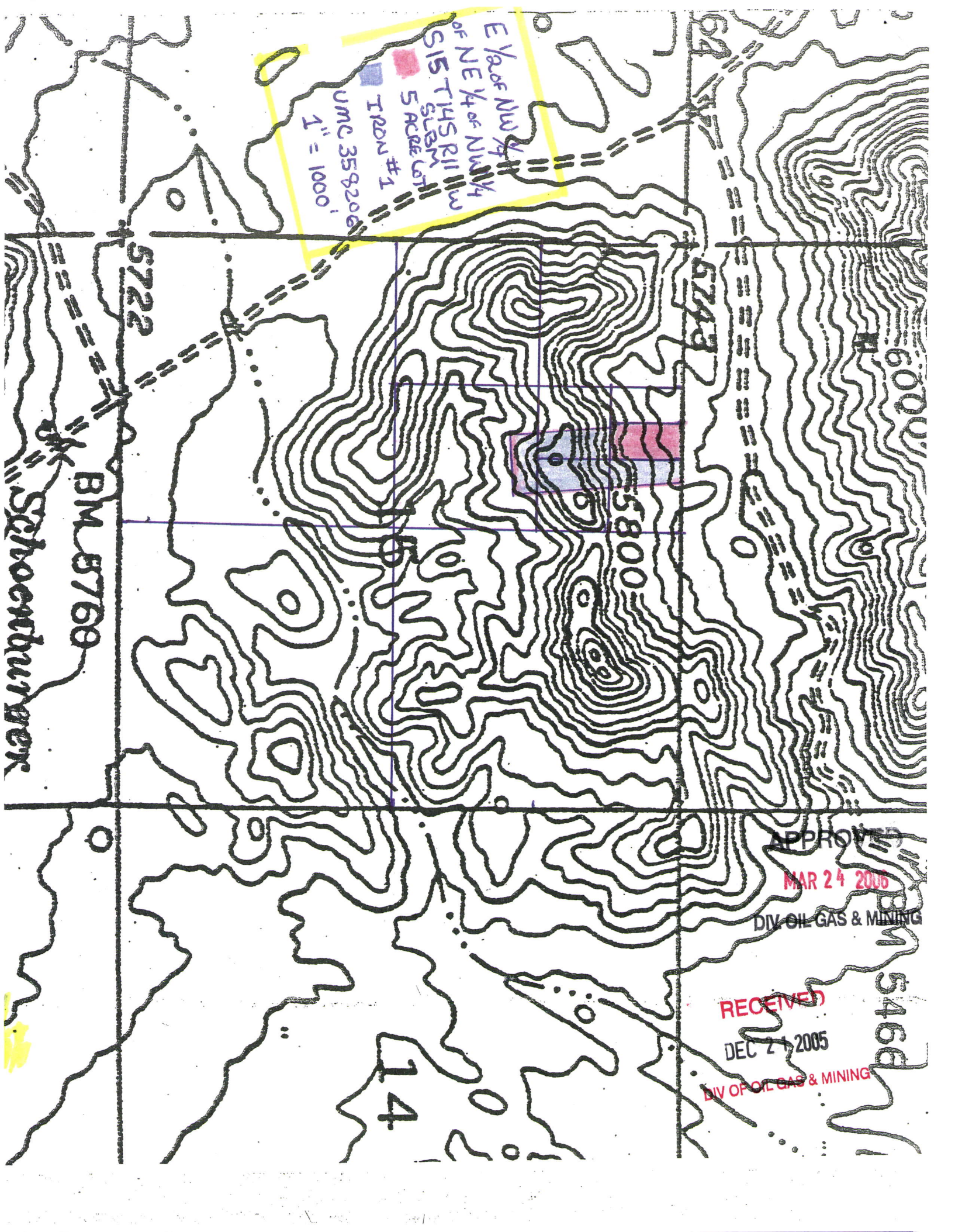
Signature: [Signature] Date: 12/20/05

Name (typed or printed): STEVE YOUNG

Title/Position (if applicable): MANAGER BLACK DESERT MINING LLC

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E 1/2 of NW 1/4  
of NE 1/4 of NW 1/4  
S15 T14S R11W  
SLB M  
5 Acre Lot  
Iron #1  
UMC 358206  
1" = 1000'

5722

5743

5800

BM 5768

Schoenburger

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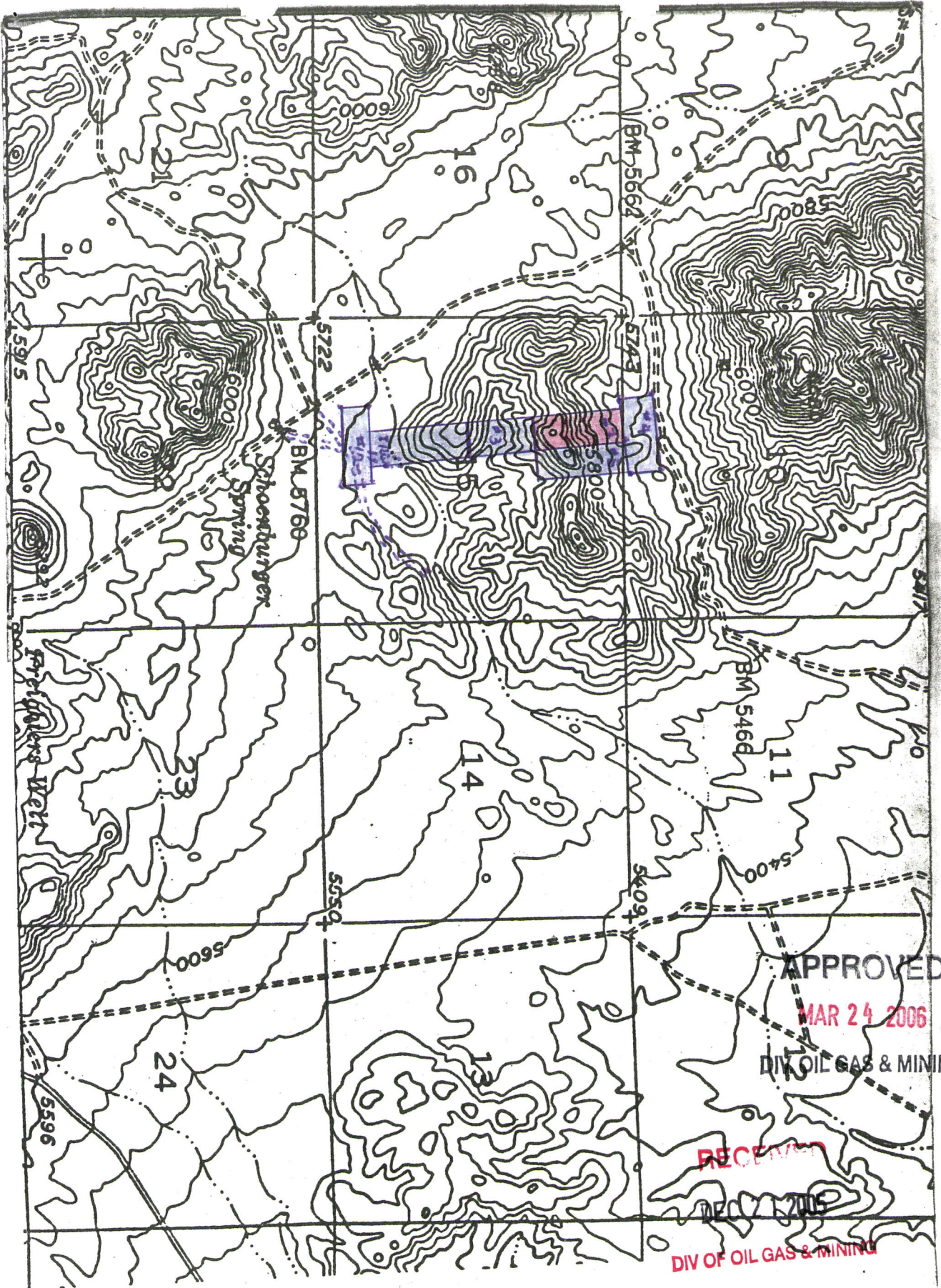
DIV OIL GAS & MINING

BM 5466

14



120N 120N #2-3-4-5  
120N #1



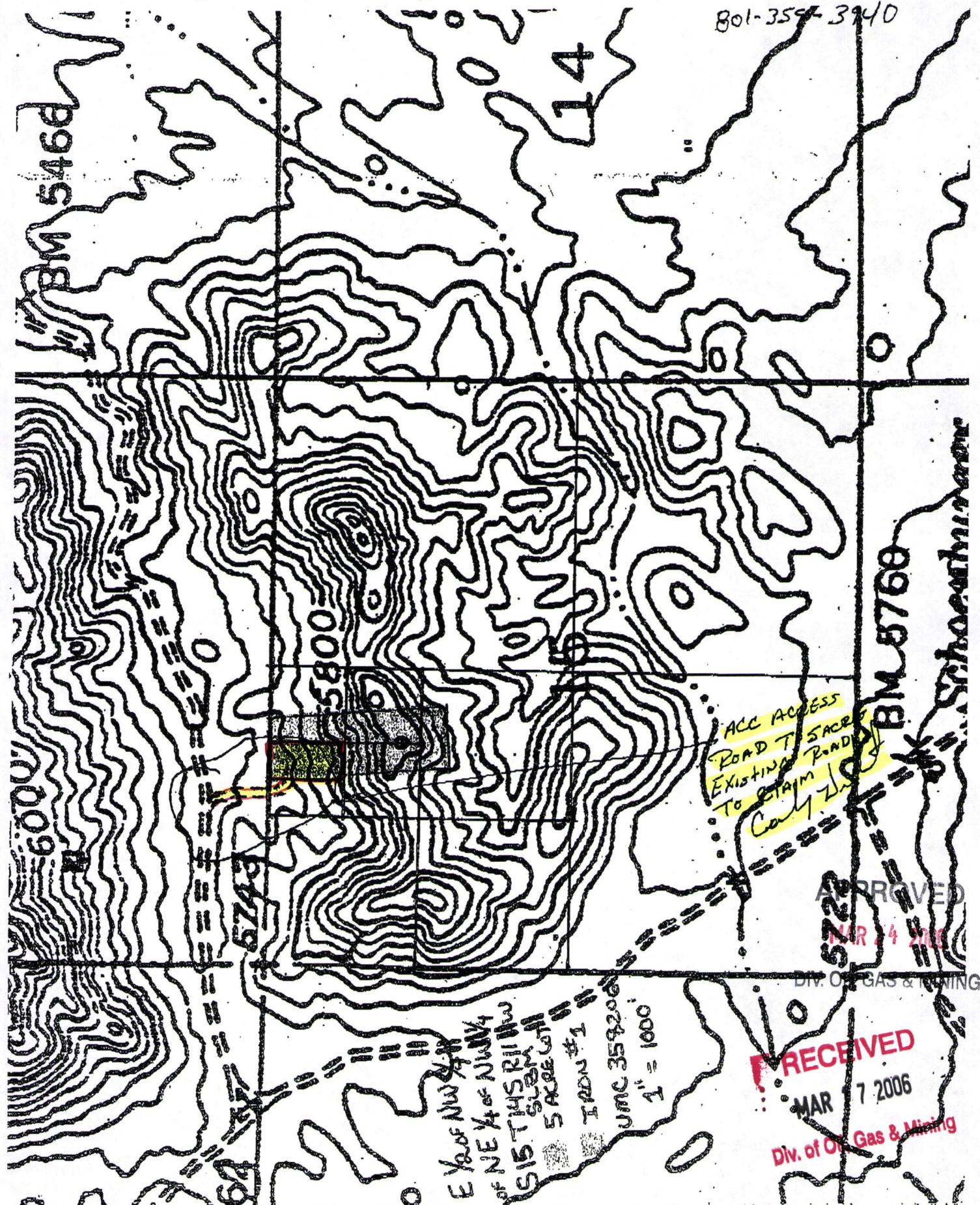
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Tom MURSON  
801-359-3940



ACC ACCESS  
ROAD TO 5ACRE  
EXISTING ROAD  
TO STAIN DIRT

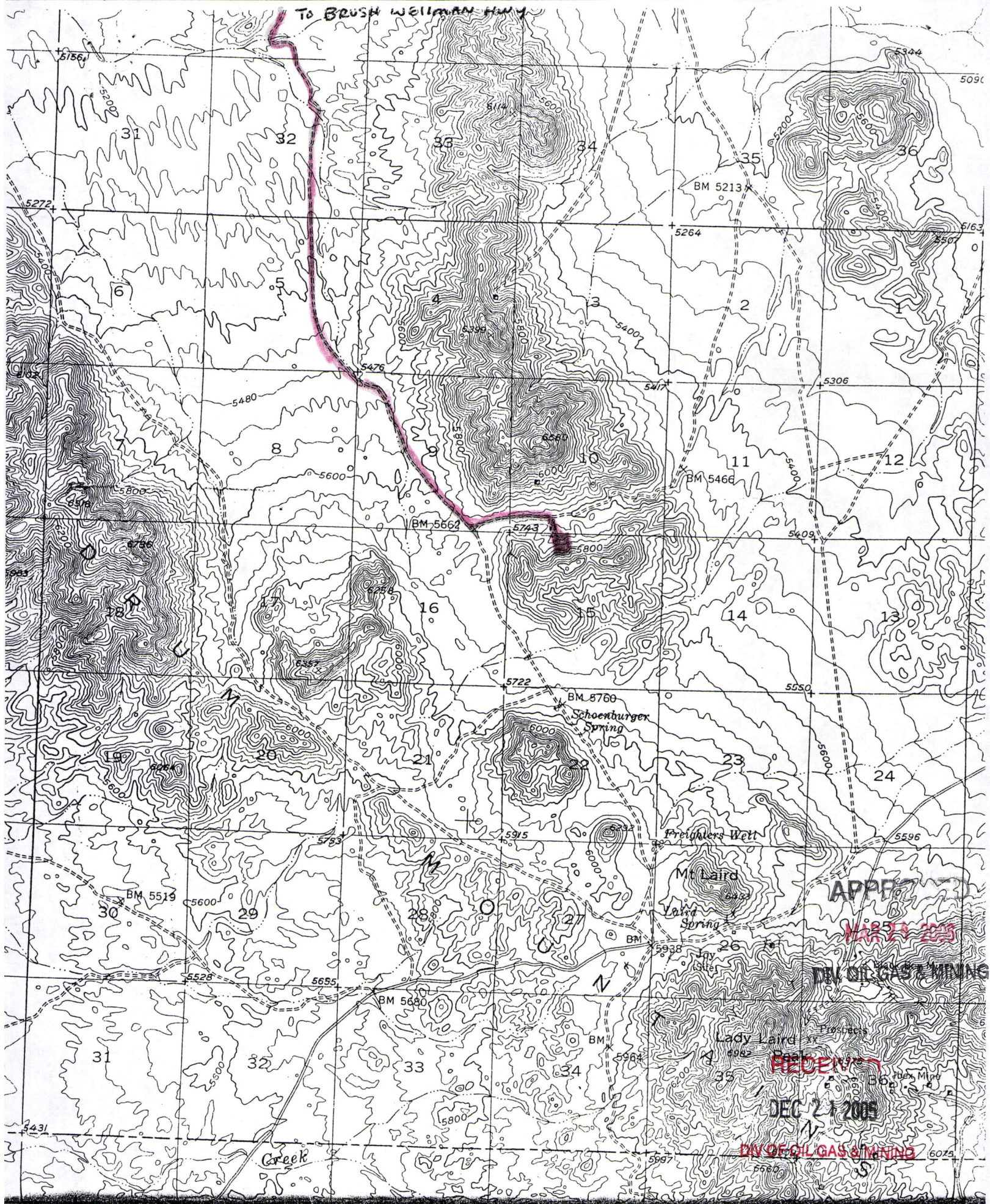
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E 1/2 of NW 1/4  
of NE 1/4 of NW 1/4  
S15 T14S R11W  
5ACRE LOT 1  
TRON #1  
UMC 3592000  
1" = 1000'





T14S R11W